



SUSTAINABLE PURCHASING LEADERSHIP COUNCIL

MODEL SUSTAINABLE PURCHASING POLICY

Policy to Establish a Leadership Sustainable Purchasing Program

It is the policy of {organization} to be a leader in sustainability.

With this policy, we are establishing a sustainable purchasing program at {organization}. This will strengthen our commitment to *{reference relevant sustainability/corporate social responsibility policies or goals for the organization, such as commitment to the UN Sustainable Development Goals, other corporate social responsibility (CSR) and/or environmental goals}*.

Our sustainable purchasing program will address the environmental, social, and economic impacts associated with the {organization's} purchase of an estimated annual *{insert \$ dollar amount}* in goods and services.

Sustainable purchasing means making sure that our suppliers – and the products and services they supply – deliver value for money and generate benefits not only for {organization}, but also for the environment, society, and the economy.

We commit to the following actions:

1. **Resources.** Allocating sufficient staff and financial resources to the sustainable purchasing program to ensure program goals are met, outcomes are achieved, and results are reported.
2. **Leader.** Appointing a leader within the {purchasing/contract management department} (hereafter “the program leader”) who has the authority to design and implement the sustainable purchasing program.
3. **Engagement.** The program leader will establish and lead an {inter-departmental/cross-agency/cross-functional advisory committee} to establish, support, promote, coordinate, integrate and maintain the sustainable purchasing program. This advisory committee will meet at least {once every quarter}.
4. **Analyze Spend.** To inform program design and strategic planning, the program leader will create a shared understanding of current and future spending patterns and purchasing needs at {organization} and identify the largest and most material sustainability-related impacts and opportunities generated from by our purchasing. This will be done by conducting a sustainability spend analysis or identifying existing comparable studies.
5. **Plan.** The program leader, in consultation with the advisory committee and other stakeholders, such as key budget holders and suppliers, will create a Sustainable Purchasing Action Plan (hereafter “Action Plan”). The Action Plan will:
 - a. Prioritize categories of spending for sustainable purchasing based on the results of the sustainability spend analysis;
 - b. Establish quantitative goals for each category;
 - c. Identify the specific implementation strategies to achieve goals; and
 - d. Describe coordination, communications, measurement, and reporting responsibilities.
6. **Implementation.** The program leader will engage appropriate internal and external stakeholders to implement the Action Plan. Implementation strategies may be taken at any step in the purchasing cycle, and may include:
 - a. Undertaking a needs analysis to potentially reduce spending in a given category;

- b. Conducting market assessments and engage suppliers to determine the availability of viable and innovative procurement options;
 - c. Developing specifications and contract language that align with guidance set forth by the Sustainable Purchasing Leadership Council (SPLC) including recommendations on existing standards, ecolabels, and certification requirements;
 - d. Seeking disclosure of relevant sustainability information from suppliers, leveraging shared or existing data where available, and communicating preferences for innovative sustainability solutions;
 - e. Engaging and rewarding suppliers for helping the organization meet its sustainability goals;
 - f. Engaging and rewarding key suppliers for establishing and meeting sustainability goals
 - g. Calculating the total cost of ownership to determine the total economic value of procurement over the product and/or services' lifecycle;
 - h. Conducting training for purchasing staff, users of goods and services, and/or suppliers on sustainability considerations; and
 - i. Incorporating sustainable purchasing into performance metrics for {organizational units/divisions} and for relevant staff members.
 - j. Incorporating sustainable purchasing into performance metrics for suppliers (ex. Quarterly business reviews)
7. **Tracking.** The program leader in consultation with the advisory committee and key stakeholders will design a monitoring and reporting system to track progress in implementing the Action Plan and to measure and report on performance outcomes.
8. **Reporting.** Each {quarter}, the program leader will report on progress to {senior executives of the organization}, and each year will report to stakeholders about sustainable purchasing activities and outcomes. The report will include details on:
- a. Number and type of sustainable purchasing strategies undertaken, reported by category, commodity, supplier segment, agency or division;
 - b. Total contracting amount and percent spent implementing the sustainable purchasing strategies described in the Action Plan; and
 - c. The key environmental, social, and or economic outcomes associated with sustainable purchasing strategies undertaken.
9. **Continuous Improvement.** The program leader and {senior executives of organization} will review progress every year to inform continuous improvement of the sustainable purchasing program. The Program Leader will also review and update the Action Plan every year and adjust if needed.
10. **Share.** {Organization} will contribute lessons learned from its program to the broader community of professionals working to promote sustainable purchasing as part of our leadership mission.

This policy is effective as of {insert date}. Signed {insert signature and name of signatory}.